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NATURAL RESOURCES **CLEON B. FEIGHT**

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING 1588 West North Temple Salt Lake City, Utah 84116 (801) 533-5771

> MEMORANDUM * * * * * * * * * *

TO:

John Blake, Minerals Resource Specialist, State Lands & Forestry

FROM:

Thomas N. Tetting, Engineering Geologist

SUBJECT:

Conditions Precedent to Release of Western Tar Sands, Inc.'s

Reclamation Surety Bond, ACT/047/016, Uintah County, Utah

DATE:

September 16, 1981

This correspondence shall memorialize what I perceive to be the binding agreement between the Division of Oil, Gas and Mining and the Division of State Lands & Forestry in reference to the eventual release of Western Tar Sands, Inc.'s surety bond.

In July 1981, the Board of Oil, Gas and Mining acquiesced to allowing Western Tar Sands, Inc., post a reclamation surety bond with the Division of State Lands & Forestry. Authorization for the aforedescribed action was conditioned upon notice to the Division of Oil, Gas and Mining that Western Tar Sands, Inc., had petitioned the Division of State Lands & Forestry to release their bond and effectuation of Western Tar Sands, Inc.'s petition if the staff of the Division of Oil, Gas and Mining had approved of the reclamation efforts of Western Tar Sands, Inc. Thus, the surety bond posted by Western Tar Sands, Inc., shall not be released until both the Division of 💺 State Lands & Forestry and the Division of Oil, Gas and Mining are satisfied F with the reclamation done by Western Tar Sands, Inc.

Please advise me, at your earliest convenience, if my understanding deviates from yours. If I am not advised to the contrary by you, I shall assume that there is a bilateral, interagency agreement defining the conditions precedent to the release of the surety reclamation bond posted by Western Tar Sands, Inc.

TNT/CD/btm